

# Daiichi Sankyo's Strengths

The Daiichi Sankyo Group is working to sustainably increase its corporate value by leveraging our three strengths which are Science & Technology, Global Organization & Talent, and Presence in Japan.



## Science & Technology

The Group has high-quality science and technology cultivated over years of operation as a drug discovery-oriented company. We will continue to seek sustainable growth of the Group by leveraging our science and technology, creating innovative pharmaceuticals on an ongoing basis, and thereby meeting unmet medical needs.

### Strong R&D DNA Cultivated Over Years of Operation as a Drug Discovery-Oriented Company

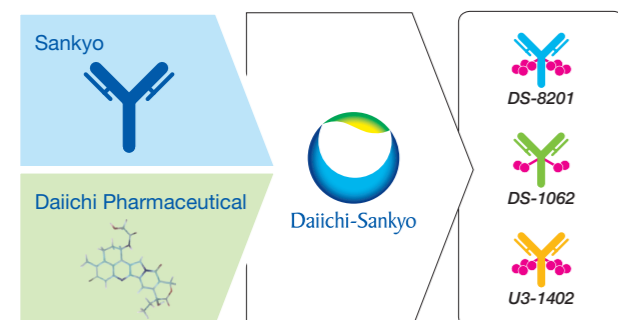
Ever since its founding, the Group has aimed to be a drug discovery-oriented company originating from Japan and focused on in-house drug discovery. During the course of our journey to this end, we have delivered breakthrough proprietary developed products, such as *pravastatin*, *levofloxacin*, *olmesartan*, and *edoxaban*, to patients around the world. Utilizing this strong R&D DNA, honed and cultivated over years of operation, Daiichi Sankyo Group is committed to the development of innovative pharmaceuticals that will change SOC.\*

\* SOC (Standard of Care): Universally applied best treatment practice in today's medical science

### Cutting-Edge Science & Technology to Create Innovative Pharmaceuticals

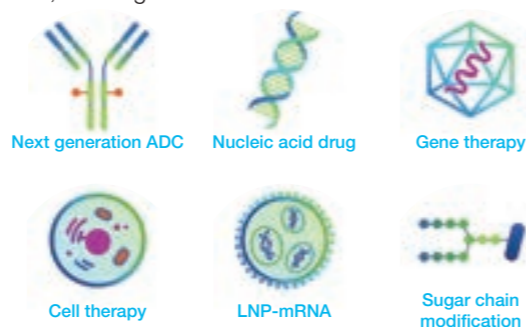
#### ■ Daiichi Sankyo's Proprietary Antibody Drug Conjugate (ADC) Technologies

*DS-8201* was created through Daiichi Sankyo's proprietary science and technology. The antibody portion of this drug was created by applying the antibody research and protein engineering capability of the former Sankyo, while the drug payload and linker were born out of the research capabilities of the former Daiichi Pharmaceutical. In order to examine the benefits and issues of the preceding antibody drug conjugates (ADCs) and solve these issues, our researchers screened and optimized combinations of antibodies, linkers, and payloads to ultimately produce the technology we have now. We believe that Daiichi Sankyo's ADCs have been established successfully as a platform technology where a linker and payload can be combined with many different antibodies. There are currently seven ADC projects.



#### ■ Diverse Modality Technologies

The Daiichi Sankyo Group is working on the development and utilization of advanced modality technologies for the creation of innovative pharmaceuticals. We are enhancing our ability to create novel products by utilizing diverse and innovative modality technologies, such as next-generation ADCs, nucleic acid drugs, gene therapy, cell therapy, LNP-mRNA, and sugar chain modification.



#### ■ Powerful Research Engines

In-house drug discovery that leads to business expansion requires researchers with a high degree of specialization and expertise based on a wealth of experience. The Group has established a culture of sharing know-how and deliverables acquired by individual researchers and refining the deliverables. These efforts by our researchers have improved our scientific assessment capabilities, which provide the source of our organizational power. The Group has also fostered a corporate climate to freely exchange views in scientific discussions, regardless of expertise, or position. This culture and corporate climate encourage the pursuit of innovations and research for the creation of innovative pharmaceuticals.

#### ■ Collaboration with Academic Institutions (Open Innovation Activities)

With the aim of efficiently and continuously creating innovative pharmaceuticals that will transform the SOC, the Group is undertaking in-house drug discovery and many other initiatives, including expanding its external drug development network and ensuring diverse sources of innovation. As an example, the Group discovered the anti-ALK2 antibody *DS-6016* through the research collaboration with Professor Katagiri at Saitama Medical University in the open competition grant program TaNeDS. We have been preparing for the start of clinical studies on *DS-6016* as a treatment for a rare disease known as fibrodysplasia ossificans progressiva (FOP), with the support of AMED's CiCLE program.



## Global Organization & Talent

As a global group, the Group has global human resources with extensive experience, who serve as key players within a diverse global organization. We will continue to work on sustainable growth by capitalizing on the strengths of our global organization and talent, which form the foundation for value creation.

### Proactive Acquisition of Global Talent and Development of Future Leaders

The Daiichi Sankyo Group aims for an environment where optimal human resources can achieve success as leaders, regardless of their age or nationality. To this end, we actively acquire and promote human resources with a broad range of experience from both inside and outside of the Group. The Group provides leadership candidates with stretch goals, difficult tasks, and opportunities for overseas transfers and study programs. In addition, we develop their

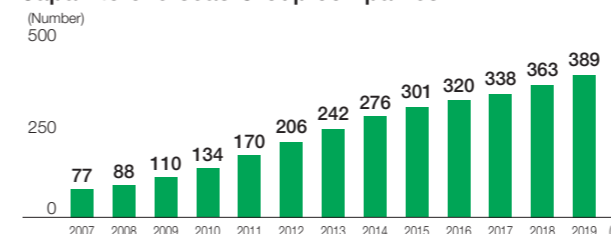
leadership skills and ability to make decisions from a global perspective, through each layer of leadership development training.

### Global Management System for Facilitating Swift and Accurate Decision-Making

The Group has established a global management system that combines the functional approach in the value chain with the regional approach of business. For example, at GEMRAD,\*1 a decision-making body for R&D projects, senior members from the R&D divisions as well as a range of other specialized divisions make swift decisions from the viewpoint of science and business. At the GMC,\*\*2 which is the highest-ranking global committee structure chaired by the CEO, managers responsible for major functions and regions discuss strategies and policies from a company-wide perspective and make appropriate decisions to maximize value creation throughout the Group.

\*1 Global Executive Meeting of Research and Development  
\*2 Global Management Committee

### Cumulative number of new employees seconded from Japan to overseas Group companies



## Presence in Japan

The Group provides information on healthcare and pharmaceutical products with integrity. We are recognized by healthcare professionals as a trusted partner. We will continue to drive sustainable growth by further enhancing our presence in Japan, established through our top-class sales capabilities and ongoing efforts to deliver high-quality pharmaceuticals.

### Business Model for Sustainable Growth

By continually launching and expanding the sales of proprietary developed products, Daiichi Sankyo Group works to grow the innovative pharmaceuticals\*1 business with a broad portfolio. At the same time, we utilize Daiichi Sankyo Group's superb sales capabilities to acquire licenses for promising products in order to sustain a virtuous cycle that drives further growth. Through this process, we have maintained the No.1 place in terms of pharmaceutical revenue in Japan for four consecutive years\*2.

\*1 Pharmaceuticals protected during the exclusivity period granted by patents or reexamination period  
\*2 Based on survey conducted by Encise Inc.

### Superb Sales Capabilities

The Daiichi Sankyo Group works to meet the wide-ranging needs of healthcare professionals with a multichannel approach\*1. As a result, we have been ranked No. 1 for MR evaluation from healthcare professions for eight consecutive years\*2. In addition, thanks to our content-rich training programs, all of our MRs have passed the MR certificate test for ten consecutive years.

\*1 MR activities and utilizing of lectures, web seminars, Internet and other methods  
\*2 Based on survey conducted by INTAGE Healthcare Inc.

### Four Businesses Responding to Diverse Medical Needs

By leveraging the strength of its innovative pharmaceutical business, Daiichi Sankyo Group engages in four businesses in Japan, including the generic business, the vaccine business, and the OTC-related business. As the No.1 company in Japan in both name and practice, Daiichi Sankyo Group addresses a wide range of medical needs related to areas such as treatment, reduction of medical costs, prevention, and self-medication, making comprehensive contributions to medicine in Japan.

